

July 11, 2005

State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
Attn: Lynn Kunzler
1594 West North Temple Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

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DIV. OF OIL, GAS & MINING

Dear Mr. Kunzler,

In response to the Cessastion Order MC-05-01-04(1) and the Notice of Violation MN-05-01-05(1), I am submitting this letter for your review and consideration. During our conversation in your office on March 22, 2005, we discussed the bonded area, which extended beyond our line near the top sharp turn in the road at the Heber Quarry. I had specifically asked for that portion of the property to be deducted from my bonded area. The area in question had been previously disturbed. I felt that it was all reclaimed. You thought that it needed a little more work. I agreed to check it out and to reclaim any area if it needed it.

I decided to grade part of the area a little better. This reclamation was completed prior to the inspection on May 27, 2005. Upon inspection you concluded that the reclamation work was mining related activities and was outside the permitted and bonded area. Your orders puzzled us. I again would like to express that it was the area you had asked us to reclaim that caused the disturbance outside the permitted area but within the bonded area. Star Stone Quarries is making every effort to comply with the requirements of the Division of Oil, Gas & Mining. If you notice something that you would like corrected, we would appreciate a friendly suggestion. That would allow us time to make the necessary corrections and stay in compliance with out heavy paper.

We will seed the reclaimed area after October 1st and before October 31st, with the seed mixture specified in our mining plan. You had also indicated that we needed to re-establish the permit boundary markers around the approved permit area. That was done a few years ago when you visited the site. Those markers are still in place marking that boundary. I am unaware of any that are missing. We did however install several extra pegs on the troublesome corner to keep loader operators in bounds.

Additionally upon a visit on May 30th to the quarry I noticed that there had been some damage to the water bars in the road. I immediately had the water bars and sediment trap cleaned out and repaired. I also had the banks on the sediment trap shored up to avoid future problems. This project was completed June 1st, after your inspection and before your orders. There are no

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current mining related activities outside of my bonded permit area. I will be submitting a map with the existing permit boundary.

Please review both the Cessation Order and the Notice of Violation. Both issues have been addressed and promptly corrected. I appreciate your time and your consideration and hope that future communications can continue being informative and constructive.

Sincerely,

Lon A. Thomas

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